Buy Back of Shares of MNCs

3153. SHRI SANJAY NIRUPAM: Will the Minister of FINANCE be pleased to state:

(a) whether a number of Multi National Companies (MNCs) have approached the Ministry of Finance for buy back of their shares;

(b) if so, the details thereof;

(c) whether the Ministry of Finance has allowed all MNCs for the same; and

(d) if so, the reasons therefor and the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (d) All buyback transactions of listed companies in India, including those in which overseas Multinational companies (MNCs) have shareholdings, are governed by provisions of SEBI (Buyback of Securities) Regulations, 1998 and the relevant provisions of the Companies Act, 1956. Since buyback by listed Indian companies with overseas MNC shareholdings could also result in an increase in the percentage of foreign shareholding, they require Foreign Investment Promotion Board's approval. Further such transactions are also subject to the FDI Policy prescriptions.

Violation of norms for destroying currency notes

3154. SHRI N.K. PREMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that RBI destroys the spoiled currency notes by a special procedure without proper verification and violating the norms specified in the manual therefor;

(b) if so, what is Government's reaction thereto;

(c) the number of centres maintained by the RBI for checking the notes before destruction.

(d) whether Government think that the special procedure satisfies

all the relevant provisions of the manual relating to the destruction of currency notes; and

(e) what is Government's reaction thereto.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) No, Sir. The special procedure followed by the Reserve Bank of India is duly approved by the Committee of the Central Board of Directors of the Reserve Bank of India.

(c) The RBI is having 15 full-fledged offices and three sub-offices for checking the notes before destruction.

(d) and (e) Yes, Sir. The special procedure adopted by the Reserve Bank was necessary to quicken the pace of disposal of soiled notes accumulated at Regional Offices of RBI.

Backlog of income tax refund in Delhi

3155. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the backlog of cases of refund of income tax in Delhi has been increasing at an alarming rate year after year;

(b) whether it is also a fact that refund cases are not settled for months together causing hardships to the pensioners in particular and others in general; and

(c) the number of cases for refund of IT pending with the Department in respect of Delhi/New Delhi IT assessees only as on 31st October, 2001 and the steps taken for their early disposal?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) the refunds for assessment year 2000-01 were issued around March, 2001 and refunds which could not be delivered to the assessees for various reasons such as change of address or premises locked etc. were posted on the Income-Tax Delhi Web Site.